

USAWC STRATEGY RESEARCH PROJECT

**UNTESTED WATERS: CHALLENGES FACING AN OPERATIONAL ARMY
RESERVE**

by

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ABSTRACT

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The Reserve Components of the Army have traditionally been a strategic force. Large scale mobilizations were likely only in times of national crises, such as Operations Desert Storm or Iraqi Freedom. Strategic leaders have ordered a formal conversion of the Army's Reserve Components into an operational force, capable of deploying one year out of every five or six under the Army Force Generation Model. This is a dramatic departure. It leads to an unknown the U.S. has not faced since changing to an all-volunteer army. Who will man this force? This challenge must be viewed from two key perspectives: First, civilian employers will confront an entirely new set of costs when faced with hiring a reserve service member. Second, the soldiers and potential soldiers will view an operational reserve through the new prism of guaranteed and repeated mobilization. How will their influencers – parents, teachers, coaches and clergy- affect their decisions? How will spouses and significant others view service in an operational reserve? Finally, service members must consider their children in any decision to enlist or reenlist. This paper explores some of these issues and offers some suggested approaches to mitigate the impact of the conversion to an operational reserve.

UNTESTED WATERS: CHALLENGES FACING AN OPERATIONAL ARMY RESERVE

There are things we know that we know. There are known unknowns.

—Donald Rumsfeld,
Former Secretary of Defense

This well known quote from former Secretary of Defense Rumsfeld is an appropriate description of what the Army's Reserve Components are about to face as they transition to an operational force and adopt a rotational mobilization cycle. Whether the services can man, equip and train this force is a large scale shift for the Army Reserve and National Guard. In looking at the challenges ahead, the issues divide into Mr. Rumsfeld's famous (or infamous) categories. There are the "knowns" – the tangible things that can be measured and calculated, such as officer and equipment shortages. These are subjects the Army leadership can address through force requirement calculations and budgeting, and therefore will not be addressed in this work. There are also the less tangible issues facing the formal conversion of the Army's Reserve Components to an operational force. How will potential recruits, employers and families react to this radical change? This is the realm of the unknown. It is also what makes this conversion to an operational force a venture into untested waters.

The Paradigm Shift

The Reserve Components (RC) of the United States Army are about to undergo a dramatic change. Historically, this force has been manned, equipped and trained as a strategic reserve - meant to be mobilized on a large scale only in times of crisis. The current and near term demands on U.S. armed forces have led the Department of Defense to change this paradigm. The reserve components must now transition to an operational force.¹ Each of the armed services must develop their own plan to implement this change, and the Army has chosen the Army Force Generation model. This model, referred to as ARFORGEN, will prepare a large deployable force each year, with defined segments of that force coming from the Guard and Reserve.² Within this model, units and soldiers are expected to mobilize on a cyclical basis for up to one year out of every five.³ This is a tremendous paradigm shift, in that it has the potential to substantially change the pool of candidates from which RC members are traditionally drawn.

This paper will examine some of the paradigm-changing effects which are likely to occur with a formal shift to an operational reserve. Planners and leaders who formalized this requirement may face some unforeseen consequences related to the less tangible cause-and-

effect relationships related to such a shift. These less than tangible effects – and how the Army might mitigate them - are the core of this work. For this conversion will not succeed unless three key questions are adequately addressed: Who will join the new operational force? How will employers react? How will families react? Each of these viewpoints will be explored, with a focus on how ARFORGEN will influence the opinions and decisions of future service members. This drastic change to an operational force cannot be discussed, however, without some background on its predecessor – the strategic reserve.

As mentioned above, the Reserve Components (RC) of the modern United States military have traditionally been a strategic force, intended for large scale use only in times of national crises. Since the end of the draft in 1973, the RC has recruited, trained and resourced its forces against this model. This system and its effects on soldier and employers were put to the test in the first Gulf War, when more than 228,000 Guard and Reserve members were mobilized.⁴ After the Gulf war, however, both active and reserve units were significantly reduced in size. In the ten year period from 1989 to 1999, U.S. military forces decreased from 2.1 million to 1.4 million.⁵ During that same time, however, the use of both the active and the reserve components increased almost ten-fold.⁶ With the exception of Desert Shield and Desert Storm, this increase in use of the reserves was borne by service members, employers and families without significant impact on the RC's ability to man and equip that force. This began to change after the attacks of September 11, 2001.

The strategic reserve system was successfully tested again with the sweeping mobilizations in support of Operations Noble Eagle, Enduring Freedom and Iraqi Freedom, where more than 500,000 reserve members have been mobilized for duty.⁷ The Global War on Terrorism (GWOT), along with other traditional and non-traditional demands on the U.S. military, have made it necessary to move the RC out of the realm of “strategic” reserves and into the realm of an operational force.⁸ The operational RC will be expected to provide up to twenty percent (20%) every year for all our national military requirements.⁹ For a reserve member, this is a significant change.

Members recruited under the strategic reserve model expected to be involuntarily mobilized only in times of national crisis. Family members and employers also had this expectation, and thirty years of successful recruiting proved that these three groups viewed this as a proper bargain. Under ARFORGEN, it will be a known requirement to mobilize one year out of every five. Although this model provides structure and a measure of predictability,¹⁰ it also leads to a correspondingly difficult question: Can the services man such a force? This

question requires an examination of a key component in this equation, which is how civilian employers might react to this new model.

Employers

How will conversion to an operational reserve component impact and influence civilian employers? This is one of the less tangible but vitally important considerations in this equation. It is important to note that most reserve members have a full-time job.¹¹ This job normally pays the mortgage and is viewed by them as their career.¹² To these soldiers, sailors, airmen and marines, their military service is a source of great pride, but it is also a source of only supplemental income, and thus necessarily a second priority to their civilian career. This is an important distinction, as it effects the reserve member's decision in at least two significant ways: First, any person considering enlistment or re-enlistment in the reserve components has to consider the impact of that decision on their civilian career. This aspect will be discussed in depth below. The second half of the employment/career equation is the employer. Employers of reserve members must not only make the initial decision to hire a reserve member, but must also incur actual and hidden costs related to that member's reserve service. Actual costs are relatively simple to calculate, such as costs to hire a replacement or lost productivity. In contrast, the intangible costs to an employer are not only hard to measure, but are even more difficult for employers to publicly acknowledge. Both costs will be discussed in greater detail below, but the discussion must begin by looking at who employs America's citizen soldiers.

Surprisingly, only about six percent of private businesses in the United States employ reserve component members.¹³ While that number may seem low, it is understandable when the raw numbers of the reserve force are compared to the U.S. population as a whole. In fact, less than one half of one percent of the total U.S. population is a reserve member subject to mobilization.¹⁴ More than a third of this group consists of federal, state or local government employees, and nine percent are self-employed.¹⁵ The remainder of reserve members - about 335,000 in raw numbers - is employed in the private sector. It is this group that is scattered among the six percent of private businesses in the U.S., and it will be their concerns that are relevant to this discussion.¹⁶

Actual Costs of Hiring a Reserve Member

Employers have few if any actual costs related to an employee's normal reserve duty.¹⁷ Most RC training occurs on the weekends, and the vast majority of members train for one two-week period each year. The actual costs to businesses begin to increase, however, when their employees are mobilized for long periods.¹⁸ On the front end of a mobilization, the employer

must decide whether or not to hire a replacement worker. If they do not hire a replacement worker, then the workload is spread to other employees. If an employer decides to hire a replacement worker, the actual costs can rise sharply. In unskilled labor businesses, a replacement worker is likely to be hired with little cost to the employer in either lost productivity or retraining. However, this portion of the labor market has less than twenty percent of the reserve force.¹⁹ As jobs become more skill-intensive, the front end costs begin to rise.

A full third of the reserve components are made up of professionals and managers.²⁰ Hiring temporary replacements for these employees is likely to be expensive or even impossible.²¹ Actual costs also accrue for employers during the employee's mobilization. Employers are required to do several things under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).²² First and foremost, they must re-hire the reserve member in the same or equivalent position held prior to mobilization, including any raises or promotions. If the employer has a retirement plan to which it contributes as a benefit, it must pay into the account an amount equal to that which it would have paid if the employee had not been mobilized. These contributions average \$4,464.00 per year, which is not negligible.²³ Also, if a company hired a replacement worker (as opposed to a temporary worker), it must pay these benefit packages for the replacement *and* the mobilized reservist. These expenses – temporary workers, replacements, benefit accumulations – have been tolerated by employers who rarely faced a mobilized employee under the “strategic reserves” paradigm. Under ARFORGEN, where the same employee is mobilized one year out of every five, the question then becomes one of degree. That is, to what degree will they be willing to tolerate these expenses on a fixed and recurring basis?

Actual costs incurred by private employers must also be put into perspective, since any final recommendation to mitigate these costs must be tailored to address the differing groups. The Congressional Budget Office chart below reveals important information about where the Reserve Component members are employed.²⁴

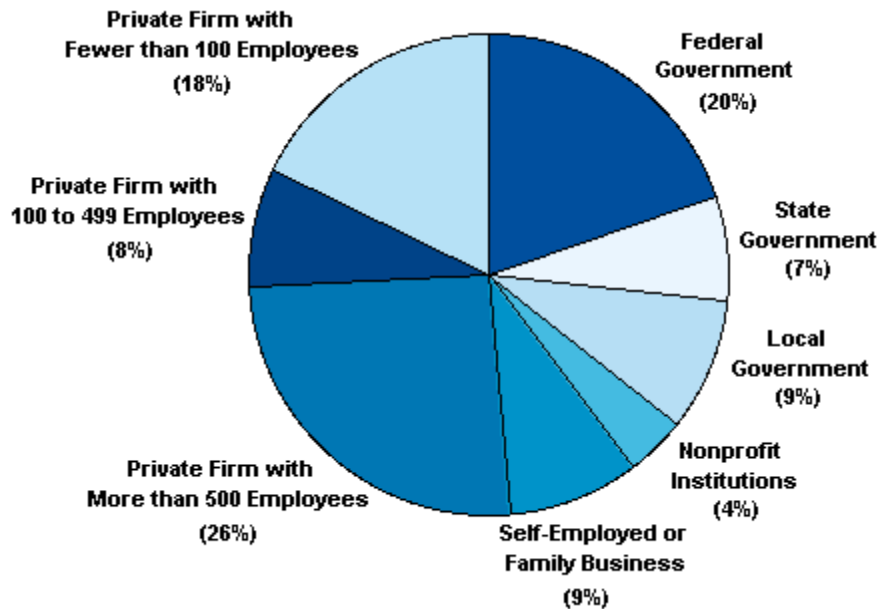


Figure 1: Reserve Component Civilian Employment

In examining the costs of employing Reserve Component members, it is important to divide employers into three roughly equal groups. The first group includes federal, state and local government employers. These employers are not subject to the same profit margin and business cycle pressures of private employers, and are therefore not included in the discussion below. The remaining two-thirds of reserve members are privately employed, and are almost equally divided between the medium and large size companies mentioned in the discussion above, and those who are self-employed. With these groups established, it becomes necessary to examine how repeated mobilizations will affect each group.

Large and medium size employers are less likely to give significant value to the actual costs of employee mobilization. Reserve members are likely to represent only a fraction of their work force, which means the actual costs associated with mobilization - or even repeated mobilizations – may not be a significant motivating factor in their hiring decisions.²⁵ Employers interviewed for this paper were unanimous in stating that their hiring decisions would be driven less by the actual financial costs and more by the hidden costs that come with mobilization.²⁶ Further study of this issue is necessary, as most current discussions regarding employer incentives involve monetary-based incentives. If these monetary incentives will not help large and medium sized businesses decide to hire RC members, alternate approaches will be necessary.

The anecdotal evidence discussed above suggests that large and medium size companies may not be influenced by financial incentives. Recall, however, that these groups

only employ about one-third of the RC force. Almost thirty percent of Reserve Component members work for small companies or are self-employed.²⁷ These groups by virtue of their size and the key positions held by self-employed members, are the groups most heavily impacted by the tangible costs associated with a cyclical ARFORGEN deployment cycle.²⁸ Hardest hit will be the self-employed category, where impacts are often severe.²⁹ Several possible incentives have been proposed to keep these members joining and staying in the RC. These include earlier retirement, possible tax incentives to employers and self-employed members, and continuing health care coverage or subsidies even during non-mobilized periods.³⁰ For small businesses and self-employed members, these incentives must be established, funded and advertised to this community as soon as possible. In an operational reserve setting, tailored incentive packages must be developed to keep drawing from those sections of the population. In contrast, such incentive packages are less likely to effect medium and large companies, whose actual costs tend to be fractional. These larger firms, when faced with hiring an employee who will be gone one year out of every five, may weight their hiring opinion by measuring the intangible costs of repeated mobilizations.

Hidden Costs of Hiring a Reserve Member

The sections above discuss the actual costs incurred by a business that employs a mobilized reserve member. These are expenses any employer can calculate by asking the accounting department a few simple questions. However, the actual costs represent only a portion of the total costs to an employer. Hidden or ancillary costs also occur. These are often less measurable from an objective standard, although they can have an even greater impact on the employer. In medium and large companies, these hidden costs are likely to be even more significant than the dollars lost. This problem will be compounded with repeated mobilizations related to an operational reserve force.³¹

Little data exists on the hidden costs incurred by an employer when an employee is mobilized. This is due at least in part because employers are reluctant to openly discuss these concerns for fear of creating a record that might seem contrary to the USERRA laws, or that might seem unsupportive of the nation's service members. These concerns also point out the difficulties of trying to legislate fairness in the business world. When it comes to employing reserve members, the law can sometimes conflict with the realities of business.

There are two competing sets of forces employers must balance regarding reserve members. The first driving forces are the federal laws designed to protect the service member. The second are the sheer realities of business. Factors such as personal relationships, lost

opportunities, changing business climates, team dynamics, and time itself cannot be refunded to an employer or a worker who has been gone for a year. Regarding the law, all businesses are well accustomed to requirements put on them by government. Everyday requirements include tax withholding, worker's compensation coverage and minimum wage laws. Large businesses often have a battery of attorneys whose mission it is to keep the company in compliance with the various federal, state and local mandates. One of those mandates is the Uniformed Services Employment and Reemployment Rights Act (USERRA), discussed above. Companies can and do comply with this directive. However, legislation cannot halt time. Life goes on. This statement is true regardless of a person's capabilities or position.

A senior executive of a large firm recently stated that "business is all about relationships," and went on to say that in professional settings, windows of opportunity open and close, and personal relationships can and must shift when someone is not at work.³² Regardless of the good will and historical relationships that might be built by a reserve member at his or her civilian job, if that person is gone for a year, someone must step in to fill that void. Business, like life, must go on. It is one thing to legislate a requirement that an employer must re-hire a returning service member, but it is another thing to reestablish that person as if he or she had never left. The large, medium and small company executives interviewed for this paper said that their businesses change at such a fast pace, there is no way an employee can return after a year of deployment and be placed in the position they held before deployment. Although both stated they are happy to hire the person back at the "equivalent" position, they stated that the person would in all likelihood lag behind those who were his or her peers when they left for mobilization.³³ It is a common saying that an individual's presence in any organization is like a hand in a bucket of water; remove the hand, and it is as if it were never there. The business environment is very much like this metaphor. It must continue while a mobilized reserve member is gone. In the world of a strategic reserve force – where a service member is mobilized during a national crisis – these relationships were fairly repairable. If a Desert Storm or Iraqi Freedom-type crisis arose, it was relatively easy to re-establish relationships upon your return to work.³⁴ The nation was behind a common cause. Co-workers could understand that the country had a crisis, and that the reserve member's role was to help fight. Their role was to cover for a mobilized co-worker while he was deployed.³⁵ Even customers could understand that the person with whom they dealt was only holding the mobilized worker's place until he returned. This dynamic will substantially change in an operational reserve setting, where a member is mobilized one year out of every five.

In an operationalized reserve system, mobilization becomes the rule, not the exception. It is a known requirement up front. In this setting, there are intangible costs to the employer related to morale, team building and relationship nurturing. In a rotational ARFORGEN scenario, the thought processes of co-workers, employers and customers may very well change from the national crisis setting of “we’re doing our part,” to the “make up your mind” point of view.³⁶ Co-workers and employers may resent that they are inconvenienced or forced to share workloads during mobilizations. Clients and customers may be less loyal. Reserve service may be seen as less of a sacrifice for the country, and more of an attempt to simply have a dual career.³⁷ Others might feel slighted if someone returning from a year of service is promoted along with the person who nurtured business relationships and brought in revenue while the reserve member was gone.³⁸ Another potential influence on co-workers and employers will be the type of service for which the employee is mobilized. Operations are likely to range from dangerous, war or near-war duty to relatively safe peacekeeping or presence missions.³⁹ Co-workers and employers may be influenced by this change, which could have an adverse affect on team building. Anecdotal evidence suggests that employers will give great weight to these less tangible costs when considering whether or not to hire a reserve component member.⁴⁰

What conclusions can be drawn from this information? The first is that the Army cannot simply announce a change from a strategic reserve force to an operational one and expect it to succeed. If planning is based on this assumption, the transition will suffer. As the employers interviewed for this paper stated, such a change adds entirely new perspectives for both the employer – who will repeatedly bear the costs related to mobilization – and also for the co-workers, colleagues and clients. If one assumes that these intangible factors are substantive, and that they must be addressed in some way in order to successfully implement an operational reserve force, then one must also tackle the subject of how to address them.

There are financial incentives that might encourage employers to hire reserve members.⁴¹ As stated above, however, any package of incentives must be tailored to the subsets of employers by size, and by the type of employee. For example, financial incentives may work in the low-skilled service sector (17% of reserve members⁴²), or for the self-employed category of workers, as discussed above. However, financial incentives are unlikely to have any meaningful effect on the medium or large employers, or in high skill and professional sectors.⁴³ For these groups, the conclusion reached above is that the hidden or ancillary costs will be the primary drivers in the employer’s decision to hire a reserve member. Unfortunately, no simple answer is available to address this possibility. Both the large and medium company executives stated that repeated mobilizations would not affect employees in non-professional positions. As stated

above, large companies can easily absorb the costs associated with hiring replacements, and in a non-professional work force, many of the hidden costs discussed above either do not apply, or apply on a much smaller scale.⁴⁴ Thus, it is possible an operational reserve may have to accept a change in the demographic from which they draw their manpower. The new operational force may simply have to accept a smaller percentage of professionals.⁴⁵

This paper started with the statement that a transition to an operational reserve component was a step into the unknown. There is enough history and raw data to know that employers and co-workers can and do bear the costs of reserve members who are mobilized for a national crisis.⁴⁶ Implied in these facts is a level of confidence on the part of the employer and the employee that a reserve member can have an acceptable civilian career, even if a national crisis occurs and they are mobilized. In the ARFORGEN paradigm, this level of support is likely to shift significantly. Some subsets of employers, such as small businesses, unskilled labor pools and self-employed persons may be receptive to financial incentives, as they are likely to be driven by the actual financial costs of reserve mobilizations. In contrast, large employers and businesses employing professionals may base their decisions on the hidden costs of mobilization. If so, they may not be responsive to monetary inducements. One executive stated that he is not willing to invest four years of team building and professional training in someone who will be gone one year out of every five, and added that monetary incentives cannot create a replacement who can step in and fill all the gaps created by the person in whom he has invested all that time and training.⁴⁷ These impacts must be considered in the transition to an operational reserve. Specific, targeted incentives must be explored to address those employers who can be influenced by money, and in-depth studies must be done to gauge the impact on the remaining employers, and to determine what might mitigate their concerns. It is important to note that any of these studies must carry with them the promise of complete anonymity. If there is any chance that a company or an executive might be named in any document as a participant, the executive cannot afford to provide truly candid responses.⁴⁸

The Service Member

The primary concern of this paper is the degree to which transition to an operational reserve force will affect our ability to man and equip that force. The sections above discuss the potential reactions of an *external* influence on the ability to man such a force by looking at how employers might react to this change. This factor was examined from the viewpoint of the employer, including how this shift might affect them, how they might react, and what incentives could be provided to encourage a receptive business community. The employers' reaction,

however, is only a part of the equation. Another critical part of that equation will be the viewpoint of the service member or potential service member. The important questions to answer are what influences a person's decision to join the reserve component, and what influences his or her decision to stay. One way to approach this is to look at who joined the Reserve Components under the traditional strategic reserve system.

Prior Service Enlistments

One of the largest contributors to the Reserve Components has been the Active Component. Service members leaving active duty and joining the Reserve Components have made up as much as sixty-one percent of the entire selected reserve force.⁴⁹ This subset of recruits is large enough to make or break the RC's ability to man the new operational reserve system. In both 2003 and 2004, nearly half of all the reserve components were manned by prior service personnel.⁵⁰ It is likely – although difficult to determine – that officers make up an even higher percentage within this number. As discussed above in the section on officer shortages, the Active Army receives the vast majority of officers from ROTC and West Point, and many of those officers leave active duty and join the reserves. In contrast, the Army National Guard produces over 40% of its officers through its individual state officer candidate school programs.⁵¹ Even with this additional source, however, the Guard still receives the majority of its officers from those who first served on active duty.⁵²

Under the strategic reserve system, these members joined the reserve components for several reasons. Some had an obligation remaining on a contractual commitment.⁵³ Others joined for additional income. After all, it is a guaranteed part time job for which they are already trained. Many also joined because they enjoy the military culture, and many others have a continuing desire to serve their country.⁵⁴ It is important to note, however, that these were the norms under the strategic reserve system. These norms are likely to change substantially under a rotational, operational reserve.

Using the Army as an example, the active component plans to rotate its forces such that an active duty soldier can expect to deploy one year out of every three.⁵⁵ If a soldier leaving active duty has already been deployed one or two years during his or her tour, what would motivate them to leave and join the reserve component? If they are starting a civilian career or going to college, why would one want to begin those new endeavors with the knowledge that one will deploy again while still in school or starting a new career.⁵⁶ For those who joined the reserves to finish a contractual commitment, an operational reserve force might lose a significant portion of this group. It would seem to make intuitive sense that these soldiers will

simply finish their entire obligation on active service. Why finish the contract in the RC if it means another deployment during college or during the early part of a new career? The same logic applies to the other motives discussed above. Someone who enjoys the culture, or who has a continuing desire to serve is likely to just remain on active duty. There are already indicators supporting this theory, as the Army Reserve has recently experienced a noticeable loss of AC-to-RC transfers.⁵⁷ Clearly, these numbers must be monitored closely, as well as the numbers associated with active duty recruitment, which the RC requires over time to make those AC-to-RC transfers.⁵⁸

This problem is similar to many of the other challenges related to the successful implementation of ARFORGEN in the Reserve Components: It probably involves money. Enlistments are already heavily laced with incentives, and those may have to be reallocated or even increased to target this AC-to-RC group.⁵⁹ Any solution should also involve changing enlistment contracts to ensure stability during an initial transition to college or a civilian career. It is important to note, however, that any such contract must also require service with a reserve unit during its “available” year. Without such a provision, a soldier who finishes a reserve component enlistment before finishing his unit’s “available” year has really been just a place holder. Worse yet, he has been a false readiness number throughout his RC term of service. A comprehensive survey of Active Component officers and enlisted personnel must be undertaken. As soon as possible, an in-depth study must be done to determine what effects the transition to an operational Reserve Component will have on its AC-to-RC transfer rates, and what incentives might be offered to mitigate the impact of any substantial decrease in those transfers.

Non-Prior Service & Reenlistments

If half of all RC members come from the Active Component, as discussed above, from what sources does the RC get the other half? The answer is that a large portion of them join to help pay for college.⁶⁰ In 2005, nearly a third of all reserve members in all services were full or part-time students.⁶¹ All services offer generous enlistment bonuses, which often include cash, scholarships, tuition assistance or student loan reimbursement.⁶² Nearly half of E-1 through E-4 reserve members are students (as opposed to only 23% of E-5 through E-9); and lieutenants and captains make up nearly three quarters of the officers who are in school.⁶³ Thus, it is safe to say that in order to maintain a fully manned operational reserve force, this pool of candidates must remain steady.⁶⁴

Not surprisingly, the vast majority of the students in this category are young, which may be the greatest advantage in maintaining recruiting levels in the shift to an operational reserve force. These young men and women are – because of their youth - less likely to have spouses and children than those coming off active duty, and are less likely to have embarked upon a civilian career. Thus, they have fewer of the influences which tend to weigh against service in a force that is likely to deploy for a year. In fact, this near-guarantee of a one year deployment may even act as an incentive for these young people. If they are cycled through the 5-year ARFORGEN reserve model, for example, their deployment can be managed to ensure it occurs after graduation. This offers several advantages to a young person: First, it promises a guaranteed job after graduation. Many seniors experience anxiety about finding jobs,⁶⁵ and many others graduate college still searching for employment.⁶⁶ Second, it offers very good predictability for the enlistee. An enlistee knows they can complete school prior to their deployment, and they receive a long lead time to prepare. Finally, it allows a young person to return to the work force with not only their degree, but with a tremendous amount of experience and maturity. This should be viewed as a significant advantage over students who graduate and move directly into the work force. Leaders and recruiting campaigns must stress these advantages, and must ensure that enlistments can be tailored around a complete education plan. If this is done effectively, the conversion to an operational reserve force may even have a positive effect on this student pool of candidates. This is not a cause to be overly optimistic, as there are potentially damaging side effects to this plan.

The same qualities that make an initial enlistment appealing to a young candidate in an operational reserve system may lead him or her to a position in life that works against reenlistment. That is, if a young person can enlist, pay for college, graduate and deploy before entering the civilian work force, he may view this as a complete cycle: He has finished his education. He has paid back his country for the benefits related to that education. And he is now embarking on a civilian career unencumbered by the prospect of having to leave that career one year out of every five. Will he be more or less likely to reenlist? This is speculative, but when viewed in light of the pressures previously listed – particularly those related to staying competitive in the civilian work force – a reduction in reenlistment rates is not implausible.

In summary, it is clear that a large percentage of Reserve Component enlistments are motivated by higher education-related benefits. If the Army is to maintain a viable operational reserve force, it must ensure a continuing stream of enlistees from this group of young people. Current enlistment contracts must add incentives which also guarantee a student sufficient time to finish school prior to being deployed. This will require personnel management rules that

ensure this bargain is kept, as well as personnel management efforts to keep that soldier in a corresponding ARFORGEN cycle.⁶⁷ Finally, once these new rules and the systems to manage them are in place, Army Recruiting Command must vigorously advertise the advantages offered by this system. These include the traditional bonuses, loan repayment and tuition assistance incentives, but also add the guarantee of income upon graduation, and the experience that will go along with that deployment. This group of highly intelligent and motivated reserve component enlistees is critical, and the success of an operational reserve will depend in large part on our ability to enlist them at traditional “strategic reserve” rates. This same group, however, may not decide to join the Reserve Components without the encouragement of the next group to be discussed – those who influence potential reserve members.

Family Member & Mentor Influence

This section continues to look at the potential effects of an operational reserve force from the perspective of the enlistee. Perhaps the most significant influence on any decision to enlist or reenlist is the service member’s family. The youngest enlistees are more heavily influenced by parents, teachers, clergy and other mentors. As the pool of enlistee candidates ages, spouses and children begin to play a more important role. These varied but important groups will undoubtedly have an impact on our ability to man an operational Reserve Component. The question is only a matter of degree. Each group must be discussed separately, and in the normal order they appear in a service member’s life.

Parents & Teachers

Almost two-thirds of the entire enlisted force in the Army National Guard and Army Reserve are teenagers.⁶⁸ This fact exposes one of the key vulnerabilities in the shift to an operational reserve force: The extent to which recruiters have relied on parents, teachers and clergy to support reserve military service. Recruiters refer to this group collectively as “influencers.” As the term implies, the input a young man or woman receives from this group can heavily influence the decision to join the reserves. If support from this group of influencers is lost or reduced, recruiters may face an insurmountable obstacle with this group of recruits. Unfortunately, recent recruiting problems can be traced at least in part to diminishing support from these groups of influencers.⁶⁹ Just after the 9/11 terrorist attacks, the services could count on influencers supporting an enlistment in about one in five cases. By mid-2005, that number had dropped to almost one in eight.⁷⁰ The Army’s top recruiter has listed this drop in influencer support as the “the greatest challenge facing recruiters,” today, and he says that the situation is getting worse.⁷¹ With the wars in Iraq and Afghanistan continuing to take the lives of the very

young men and women over whom these groups have influence, the chance that this trend will reverse seems low.

In other areas, it may be possible to reduce the impact of a shift to an operational force by simply throwing money at the problem. However, enlistment bonuses and college tuition assistance alone are unlikely to mitigate the loss of influencer support. Planners must also build in some protections for both the influencer and the potential enlistee. For example, as discussed above, enlistment contracts must guarantee that a college student entering on a six year enlistment will not be deployed until the last year of their contract. This guarantee would offer stability and confidence that the young person can complete his or her studies. It could also impact the influencer, in that the promise of an out-year deployment may lessen their current fears related to Iraq. They may have a reasonable belief that the wars in Iraq and Afghanistan will wane by the time their loved one deploys.⁷² It is important to note, however, that the package suggested herein will only effect the segment of recruits who use reserve service to help pay for college. For those young men and women who plan to leave high school and enter the work force, the contractual promise of an out-year deployment may have a similar effect on their influencers. In either case, the loss of influencer support has the potential to seriously degrade our ability to man an operational reserve force. As discussed in the section regarding employers, Army leadership must develop and execute surveys of those who will be affected most by the coming changes. Influencers such as coaches, clergy and parents must be specifically targeted, and surveys or interviews must include an opportunity for the influencers to offer advice on what might allay or address some of their concerns. These surveys must also offer potential actions which might increase the likelihood of these influencers to encourage service in the reserve components. If the Army cannot convince this group of influencers to encourage young people to enlist, the Reserve Components will not even get an opportunity to address the next set of influencers in a soldier's life cycle.

Spouses & Significant Others

When attempting to determine how an operationalized reserve will effect the Army's ability to man that force, no group will affect this transition more than spouses and significant others of those service members. This group will need the most targeted sales pitch and the greatest incentives, or they simply will not support a decision to join or stay in the Reserve Components. The numbers are imposing: More than half of all Reserve Component members are married.⁷³ Another thirteen percent have been in steady relationships between one and six years.⁷⁴ Thus, at least two thirds of our entire reserve forces have a spouse or long term companion to

consider when making the decision to enlist or reenlist. It is not unreasonable to presume that this group has a strong influence on whether or not someone joins or reenlists in the Reserve Components.⁷⁵ This is where conversion to an operational force causes grave concern.

In the strategic reserve paradigm, spouses could expect long mobilizations only in times of national crisis. These were the expectations of both the enlistee and the spouse. Within this paradigm, spouses were very supportive of reserve service. In a survey taken just after the start of Iraqi Freedom, a full two-thirds of reserve members reported that their spouses viewed reserve service either “favorably,” or “very favorably.”⁷⁶ Only fourteen percent viewed service unfavorably or very unfavorably.⁷⁷ As might be expected, these numbers have begun to change in some substantial ways. Table 1 below illustrates some of these changes.⁷⁸

Status of Forces Survey-Reserve Component How does your spouse/boyfriend/girlfriend view your participation in the Guard or Reserve? (Answers are in percentages, with a plus or minus 2% margin of error)					
	Very Unfavorably	Unfavorably	Neither Favorably nor Unfavorably	Favorably	Very Favorably
2003	4	10	7	26	40
2005	9	16	16	33	27
Change	- 5	- 6	9	7	- 13

Table 1: Status of Forces Reserve Comparison Table

Already in mid 2005, there is a dramatic percentage increase in the “unfavorable” and “very unfavorable” columns. These figures have almost doubled in just two years. There is also a thirteen percent drop in the number of spouses who view such service “very favorably.” These are important figures, considering the influence spouses and significant others have on reserve members’ decision to enlist or reenlist. Also, it is important to note that the 2005 survey took place before any publicized decision to operationalize the Reserve Components, and before the Army’s announcements regarding the one-in-five mobilization cycle for the Army Reserve and National Guard.⁷⁹

The impact of a rotational Reserve Component on spouses will undoubtedly be substantial. What support can service members expect if the spouses know their loved one will

be deployed one year out of every five? What assumptions were made in the planning process to address this issue? Did leaders simply presume spouses would support “rotational” reserve component membership at the same levels they did in the “strategic reserve” era? If so, this assumption has the same potential to impact the strategic outcome as did the assumption that Iraqis would greet U.S. soldiers as liberators. Army leadership must immediately survey RC spouses on this issue, with the goal of developing a comprehensive list of what might help spouses support a decision to enlist or reenlist. Results should be used to develop a tailored incentive package, along with an advertising campaign to target them. Most importantly, this targeted campaign must educate them on the ARFORGEN system, as spouses will be even less likely to support an operational reserve if the rotational mobilizations come as a surprise to them. The spouse, however, is only part of the family influence on a reserve member, and this topic must include a discussion on the impact an operational reserve career might have on a service member’s children.

Children

More than half of all reserve members have children, and almost forty percent of those children are under thirteen years old.⁸⁰ This dynamic has the potential to affect our ability to man an operational reserve force as much or more than the influence of spouses. Although, most children are proud of their parents’ service in the Guard or Reserve,⁸¹ parents who decide to join or remain in an operational reserve must consider the impact this new service paradigm will have on their children. In a strategic reserve system, the parent knew they might have to serve for an extended period during a national crisis. Service members could weigh the likelihood of such an emergency against impacts on the family, and then make a decision whether to join or stay. The mere fact that the Army has been able to man such a force shows that enough parents were willing to make this potential sacrifice. In the ARFORGEN system, however, this changes substantially. The service member will know that he or she will not only be mobilized every five years, but will likely be mobilized for up to a year at a time.⁸² This re-frames the decision process discussed above, as the impacts on the children are virtually guaranteed.

Over the years, several studies looked at how military deployments affected the children of those deployed. Common among these were findings of depression, acting out, poor academic performance and increased irritability.⁸³ Even more recently, a study by the U.S. Military Academy made the following conclusion:

We find that deployments have modest adverse effects across most academic subjects, with lengthy deployments and deployments during the month of testing

leading to the largest detrimental effects. Further evidence suggests that the adverse effects in academic achievement may persist for several years.⁸⁴

These possible consequences must be and will be considered by every parent who makes the decision to join or reenlist in an operational reserve force. Thus, if the Army's Reserve Components are to adequately man this new force, these concerns must be addressed.

What can senior leaders do to allay some of a service member's concerns? Family support systems are often cited as a benefit to family members, but these already exist in many forms. Each Army unit, for example, maintains a family support group for spouses and families of deployed soldiers. These provide emotional (and sometimes financial) support and assistance by and between family members deployed from the same unit. Outside organizations also offer benefits, such as support forums and even camps for children of deployed service members.⁸⁵ Although formal and informal support programs are an invaluable aid, it is doubtful that additional programs will add a significant benefit.⁸⁶ One potential method to reduce the stress in children is increased and consistent access to the parent while deployed. Currently, many deployed service members use e-mail and video conferencing to stay in touch, but children invariably say that they want more of that type of contact.⁸⁷ If service members had complete confidence that they could talk with their families on a daily or near daily basis, this might relieve some of the concerns of both the parent and the child. This guarantee of connectivity would need to be widely publicized to family members as well as service members. The advantage to this "promise" is that although it would impose a cost related to bandwidth, many of the related hardware items are already in every unit's inventory. Existing laptops could be used on a scheduled basis, and many soldiers deploy with their own personal computer. For a relatively small cost, each deployed unit could be provided with the equipment to turn laptops into video conferencing tools. This proposed solution may seem simplistic when viewed against the rather imposing problem of deployment effects on children. However, when viewed from the child's perspective, it seems clear that regular contact between the parent and the children may go a long way to address some of those concerns.

Conclusions

Unlike Army designs of the past, where employment of combat and support units were planned around contingencies that may or may not occur, the ARFORGEN model is built to deploy units annually to support National Military Strategy missions that *will* occur. The entire force is being designed around our ability to maintain a deployed force on a continuing basis, with little or no "float." This design is dramatically different than the old model, as it is similar to

a “just-in-time” supply chain. The Army expects its Reserve Components, the National Guard and the Army Reserve, to fill 20% of its annual strategic requirement. As such, if the RC cannot meet its annual mission, the Active Component will have to break their entire rotational design to compensate. Reserve Component failure cascades into the entire active force, and therefore directly impacts our ability to execute the National Military Strategy. For these reasons, the Guard and Reserve transition to an operational force must succeed. With that conclusion as a given, several of the large issues facing this transition must be addressed. This paper has laid out several of the key challenges ahead, and has proposed some ways to address the issues at hand. However, not all of these challenges have clearly defined solutions.

The “known unknowns” provide the greatest planning challenges. These are the Untested Waters of this paper’s title, and they are perhaps even more important to the success or failure of ARFORGEN in the Army National Guard and the Army Reserve. A comprehensive and completely anonymous survey must be conducted to determine how employers will react to an applicant who is guaranteed to be gone one year out of every five. The importance of anonymity cannot be overstated, as these companies have both legal and image-related reasons to provide less than candid responses. Smaller firms and self-employed reserve members may respond positively to financial incentives. However, these same incentives may not influence medium and larger companies to hire RC members. The surveys mentioned above must be designed to determine what their concerns are and what might mitigate those concerns. It is questionable whether or not some things can be incentivized. For example, it is doubtful that incentives can put an operational reserve applicant on the same footing as the non-service member when both compete for the same job at medium or large firms.

Finally, senior leaders must look carefully at the two pools from which the RC draws most of our enlistees: Prior service members and students. For students, recruiters should draft enlistment contracts that ensure deployment only in their fifth (graduation) year. This will be a guaranteed first job for them, and will place them in the work force with not only a degree, but with a year of active duty leadership experiences. Regarding prior service incentives, their RC contracts should ensure a period of stabilization, perhaps similar to the student contract discussed above. This group is more of a challenge, however, as they are likely to have been deployed at least once during their active service. The last and greatest of the unknowns is the impact of a rotational reserve force on those who influence enlistees or re-enlistees the most: Parents, mentors, spouses and children will all be affected by the shift to an operational reserve force. A comprehensive survey is needed to determine what incentives might increase the likelihood an influencer will vote for enlistment. Perhaps the answer lies in a contract that

guarantees deployment in an “out” year, with the hope that the young enlistee can establish himself at work or graduate college before being mobilized. For spouses, the answer may lie in combinations of stabilization guarantees and financial incentives, such as continuing health coverage even during non-deployed times, or something as simple as deployment bonuses. For children, the Army may need to establish and publish some kind of guaranteed and consistent access to a parent while they are deployed. Consistent contact is what children most desire, but it is unclear whether such a guarantee will allay a parent’s concerns enough to choose a second or third deployment.

The National Military Strategy depends on a vibrant Army National Guard and Army Reserve. Leaders cannot afford to assume away the extraordinary challenges facing the transition to an operational force using ARFORGEN. The right people must be asked the tough questions, and the answers must be used to develop sound solutions. Where solutions require money, they must be fully funded. Where they require information or advertising campaigns, they must be executed. Where they require adjustments to enlistment contracts, they must be made, advertised and implemented. The Reserve Components cannot resort to its historical method of accomplishing 100% of the mission with 70% of the resources. ARFORGEN is not designed that way, and if leaders attempt to implement it with less than it requires, it cannot succeed.

Endnotes

¹ Department of Defense, *Quadrennial Defense Review Report* (February 6, 2006), 76-77. See also Christine Wormuth et al., *The Future of the National Guard and Reserves: The Beyond Goldwater-Nichols Phase III Report* (Center for Strategic and International Studies, July 2006), 7 (“Finding: . . . Employing RC forces as part of the operational force is a requirement, not a choice.”).

² ARFORGEN in the Army Reserve is expected to take the form of one mobilization every five years (mobilization would last up to 12 months). See Christine Wormuth et al., *The Future of the National Guard and Reserves: The Beyond Goldwater-Nichols Phase III Report* (Center for Strategic and International Studies, July 2006), 26.

³ There is currently a difference between Army Reserve and Army National Guard models. The Army Reserve uses a five-year cycle, and the Army National Guard model uses a six-year cycle.

⁴ United States Naval War College, Operations Department, *Desert Shield/Desert Storm Employment of Reserve Component: Extracts of Lessons Learned* (NWC 3074), 21.

⁵ U.S. Library of Congress. Congressional Research Service. *Military Forces: What is the Appropriate Size for the United States* by Edward F. Bruner. (Washington, May 28, 2004), 1.

⁶ Peacekeeping, humanitarian, counter-drug operations and other contingencies increased almost tenfold from 1987 through 2000 – excluding the number of reserves mobilized for Desert Shield/Storm. See Congressional Budget Office, *The Effects of Reserve Call-Ups on Civilian Employers*, May 2005, p. 9, www.cbo.gov/showdoc.cfm?index=6351&sequence=1; Internet; accessed November 19, 2006.

⁷ As of June 15, 2006, 494,000 reserve component members had been mobilized. Statement of Command Sergeant Major Lawrence W. Holland, Senior Enlisted Advisor to the Assistant Secretary of Defense for Reserve Affairs, before the Commission on National Guard and Reserves (June 15, 2006), 8. Currently, there are approximately 93,857 mobilized RC members. U.S. Department of Defense, Office of the Assistant Secretary of Defense (Public Affairs), December 27, 2006, www.defenselink.mil/Releases/Release.aspx?ReleaseID=10291; Internet; accessed December 27, 2006.

⁸ Transcript of Statement by General Richard A. Cody, Vice Chief of Staff, United States Army, before the Committee on Armed Services, United States House of Representatives, June 13, 2006, 1-3; available from http://www.globalsecurity.org/military/library/congress/2006_hr/060613-cody.pdf; Internet; accessed January 17, 2007.

⁹ Current estimates show a requirement for 18 brigade combat teams and accompanying support elements each year. The active Army can provide 14 of those each year, which means the remaining 4 combat brigades, plus the accompanying combat service and combat service support units must all come from the National Guard, and Army Reserve. Wormuth et al., *The Future of the National Guard and Reserves: The Beyond Goldwater-Nichols Phase III Report* (Center for Strategic and International Studies, July 2006), 7-9.

¹⁰ One positive element to this paradigm shift is predictability. In positioning itself for transformation to an operational reserve, the Army Reserve is placing a great deal of value on the level of predictability added by ARFORGEN. LTG Jack C. Stultz, Chief, Army Reserve, *Vision for the Army Reserve*, Word From The Top (June 29, 2006); available from <http://www.armyreserve.army.mil/ARWEB/NEWS/WORD/20060628.htm>; Internet; accessed November 19, 2006.

¹¹ Seventy-six percent of all Reserve Component members are employed outside of the Active Guard and Reserve and Full-Time Support system. Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006), Question 21, p. 54.

¹² Although one can argue that a reserve member who serves at least 20 years has had a second “career” in addition to his or her civilian job, for purposes of this paper, the term “career” is meant to describe the job viewed by the reserve member as their primary means of financial support.

¹³ Congressional Budget Office, *The Effects of Reserve Call-Ups on Civilian Employers* (May 2005), 15; available from <http://www.cbo.gov/showdoc.cfm?index=6351&sequence=1>; Internet; accessed November 19, 2006.

¹⁴ Total U.S. population is approximately 300,000,000. The total Ready Reserve force – that part of the force subject to mobilization – is approximately 1,500,000. This includes all

reserve components. See Congressional Budget Office, *The Effects of Reserve Call-Ups on Civilian Employers* (May 2005), 4.

¹⁵ Congressional Budget Office, *The Effects of Reserve Call-Ups on Civilian Employers* (May 2005), 7. Arguably, a shift to an operational reserve force will have many of the same impacts on government employers and those who are self-employed. However, the largest portion of the government employees actually work for DOD, and for purposes of this paper, it is presumed that those employees will not face the same challenges and competition as those in the civilian sector. Regarding self-employed or family business workers (about 55,000 in raw numbers), it is presumed that they will not have to compete for employment, re-employment or promotion in the same way that civilian sector employees do.

¹⁶ This argument makes an important assumption, which is that government employers will be forced to accept the increased demands of an operational reserve employee.

¹⁷ Colin M. Doyle, *Analysis of Employer Costs from Reserve Component Mobilization*, Institute for Defense Analyses, IDA Paper P-3872 (Alexandria, Virginia: December 2004), 4. This is also consistent with the opinions offered by executives interviewed for this paper. The author conducted interviews with senior executives at three private companies. The companies were selected because they offered a sample from within the Congressional Budget Office division of employers by size: fewer than 100 employees, 100 to 499 employees and more than 500 employees. Each executive interviewed represents one of these categories of employers. This is a sample from each category, and does not represent a sufficient number of employers from which statistically significant conclusions might be drawn. The interviews are meant to represent sample anecdotal data from a cross-section of private sector employers. Each interview was conducted with the promise of absolute anonymity, with the goal of promoting complete candor. Candor was considered by the author to be critical when considering the impact of a change to an operational reserve force, as the honest answers often did not reflect what the “public” answer of the company would be – for reasons of both compliance (i.e. following the law) and public relations (i.e. they would not want to appear less than patriotic or supportive of the armed forces). Hereafter, these interviews will be cited as “Large Company Executive interview, January 29, 2007.”

¹⁸ Small Company Executive interview, February 8, 2007. The executive stated that there are no costs associated with normal weekend duty, and that negligible costs occur during the two-week training period. This employer has had an one employee mobilized since September 11, 2001, and stated that the lost billing and costs related to hiring a replacement amounted to approximately 25% of the annual salary for the mobilized employee.

¹⁹ Reserve members who are employed in the service industry – the lowest skilled category of the labor pool – represent 17% of the overall reserve force. Congressional Budget Office, *The Effects of Reserve Call-Ups on Civilian Employers* (May 2005), 8.

²⁰ Ibid.

²¹ Temporary workers hired through a service can be as much as 50% higher than the wages paid to the worker. If the position is a mid to high level executive, search firms can charge 10% to 30% of the person’s yearly salary as a fee. Ibid. p. 12. Also, firms may have to re-advertise the position and hire someone new for a critical position. This may also lead to promoting someone within the firm. This leads to some additional, less tangible costs, such as

difficulties when the reserve member returns. The firm must re-hire the member in an equivalent position, but has already hired or promoted someone within to fill a specific and highly skilled position. This is anecdotal information obtained in the Large and Medium Company Executive interviews, January 29, 2007.

²² Uniformed Services Employment and Reemployment Rights Act of 1994, U.S. Code, vol. 38, sections 4301-4333 (2000, as amended).

²³ Colin M. Doyle, *Analysis of Employer Costs from Reserve Component Mobilization*, Institute for Defense Analyses, IDA Paper P-3872 (Alexandria, Virginia: December 2004), S-1. This study estimates that between 50% and 60% of employed reservists participate in such a plan. Ibid.

²⁴ Congressional Budget Office, *The Effects of Reserve Call-Ups on Civilian Employers* (May 2005), 7. Source: Congressional Budget Office based on data from the Department of Defense's Defense Manpower Data Center. Notes: The data include the military technician category, personnel who support reserve units full time as government employees and are members of the Selected Reserve as a condition of their employment. The data do not include the Coast Guard Reserve. Percentages may not add to 100 because of rounding.

²⁵ Large and Medium Company Executive interviews, January 29, 2007. Reserve members represented less than one half of one percent of the medium company's work force, and an equally fractional portion of the large company's work force. Both executives stated that the actual costs of mobilization – relative to the size of the company – were not substantial factors in their hiring decisions. Although both executives expressed a strong concern about hiring a person who would be mobilized one year out of every five, both also stated that those concerns were related to the intangible costs, and that the tangible costs related to even a cyclical mobilization would not affect their decisions.

²⁶ Small Company Executive interview, February 8, 2007. Medium and Large Company Executive interviews, January 29, 2007.

²⁷ Congressional Budget Office, *The Effects of Reserve Call-Ups on Civilian Employers* (May 2005), 7. The self-employed category also includes those who work in a family business.

²⁸ Both the large and medium company executives interviewed for this paper stated that the number of reservists employed relative to the total employee population was so small that the actual costs of mobilization were minimal, and that these actual costs would not come into play in their hiring decision processes. Small Company Executive interview, February 8, 2007. Medium and Large Company Executive interviews, January 29, 2007.

²⁹ For an excellent sample of how reserve mobilizations affect very small businesses and self-employed firms, see Colin M. Doyle, *Analysis of Employer Costs from Reserve Component Mobilization*, Institute for Defense Analyses, IDA Paper P-3872 (Alexandria, Virginia: December 2004), Appendix A, pp. A-1 through A-5.

³⁰ Senator Lindsey Graham has proposed that reserve members who stay beyond 20 years be eligible for retirement pay a year earlier (than 60) for every two years of service beyond 20 years. Air Force Magazine Online, *Some Reserve Ideas*, Action in Congress (May 2006); available from <http://www.afa.org/magazine/may2006/0506congress.asp>; Internet; accessed

January 9, 2007. The tax and insurance incentives were discussed by a senior reserve component general officer at the U.S. Army War College during a visit in the fall of 2006.

³¹ It is important to note that even some small businesses may not be moved by tax or insurance incentives. The small business executive interviewed for this project employed 65 people, with 90% professionals and 10% non-professionals. He stated that he was willing to tolerate the costs surrounding a deployment for a national crisis, but that the tangible and intangible costs related to multiple deployments under a rotational system would cause him to be less likely to hire a reserve component member. He specifically stated that tax and insurance incentives would not influence him because at any given time he employs only one reserve member. Small Business Executive interview, February 8, 2007.

³² Large Company Executive interview, 29 January 2007. This executive stated that these effects can be seen even in short term absences, such as maternity and paternity leaves. Some returning workers find that they have missed opportunities that only occur occasionally, and at unpredictable times.

³³ Large and Medium Company Executive interviews, January 29, 2007. Small Company Executive interview, February 8, 2007. The large company executive added that business generally moves at such a fast pace, that even employees who return from six weeks of maternity/paternity leave often lag behind their peers for long periods of time after their return.

³⁴ All three executives stated that in a national crisis, such as Desert Storm and Iraqi Freedom, employees and employers go out of their way to reintegrate a returning employee. When the rotational ARFORGEN concept was explained to them, all three predicted that employers and co-workers would be less likely to go out of their way to support someone.

³⁵ Large Company Executive interview, January 29, 2007. This executive stated that in the traditional mobilization scenario (e.g. Desert Storm, Iraqi Freedom), she felt it was the duty of the firm's management and co-workers to carry the load for the soldier who was serving. This is significant, as this same executive stated that her views, and likely the views of the co-workers, would probably not be the same if an employee was hired with the knowledge he or she would be gone one year out of every five.

³⁶ Both the medium and large company executives stated that any employee who would be gone one year out of every five would have to make a conscious decision as to whether or not they wanted to be a career professional in one job or the other, because they could not do both. Implied in their statements was a conclusion that anyone who made a decision to stay in the reserves was also making a conscious decision to limit their civilian career in these companies. Large and Medium Company Executive interviews, January 29, 2007. Small Company Executive interview, February 8, 2007.

³⁷ Ibid. The medium company executive also stated that in his firm – where 90% of employees are professionals – it would not be possible for someone to be away one out of every five years and remain competitive with peers.

³⁸ Medium Company Executive interview, January 29, 2007.

³⁹ Christine Wormuth et al., *The Future of the National Guard and Reserves: The Beyond Goldwater-Nichols Phase III Report* (Center for Strategic and International Studies, July 2006), 7 (referring to missions in South Korea, Kosovo, the Philippines and the Horn of Africa).

⁴⁰ Both the medium and large company executives stated that one mobilization every five years will adversely affect team building, and both stated that they would have to seriously consider the intangible costs they would incur if they knew the member would be mobilized one year out of every five. It is important to note that both these executives have been very supportive of hiring reserve members in the past. The large company employer even stated a bias in favor of the reserve member who might be mobilized during a national emergency. Both executives viewed an operational reserve as something completely different. Both stated that in this scenario, an employee would be choosing to leave the civilian work force one year out of every five, and that this was a wholly different paradigm. Large and Medium Company Executive interviews, January 29, 2007.

⁴¹ Colin M. Doyle, *Analysis of Employer Costs from Reserve Component Mobilization*, Institute for Defense Analyses, IDA Paper P-3872 (Alexandria, Virginia: December 2004), 20-30. The IDA report lists options including federal reimbursement of health insurance and pension costs, payment of costs related to hiring replacements (e.g. fees for placement agencies), compensation for lost productivity and tax credits.

⁴² Congressional Budget Office, *The Effects of Reserve Call-Ups on Civilian Employers* (May 2005), 8.

⁴³ Although it is not readily apparent in the available data, the author presumes that these categories involve some crossover. For example, there are large companies who employ low skill laborers, and others who employ doctors and attorneys. For purposes of this paper, the author asserts that both the size of the employer and the type of employee must be considered when creating a targeted incentive.

⁴⁴ Large and Medium Company Executive interviews, January 29, 2007.

⁴⁵ The medium company executive stated that the realities of business demands and opportunities at the professional level would probably force most of the “smartest and brightest” to stay out of the reserve components if they will be mobilized one year out of every five. This sentiment matches the large company executive’s statement that any potential employee must decide early which will be his career and which will be a job. Large and Medium Company Executive Interviews, January 29, 2007.

⁴⁶ The author could find no reporting of widespread employee complaints since the dramatic rise in mobilizations after September 11, 2001. Although complaints have been filed, the author was unable to determine if the number of complaints is substantially different (higher or lower) than employment discrimination suits filed in the normal course of business.

⁴⁷ Medium Company Executive interview, January 29, 2007.

⁴⁸ Both the small and medium company executives made the exact same comment when I explained the rotational five year plan. Both stated that if there is such a high demand for these forces, why aren’t we increasing the size of the active force to cover the demand. They also stated that the U.S. should keep the reserve components as an “emergency need only” force.

Large and Medium Company Executive interviews, January 29, 2007. Small Company Executive interview, February 8, 2007.

⁴⁹ Department of Defense, Office of the Assistant Secretary of Defense (Force Management Policy), *Population Representation in the Military Services* (November 2000), Chapter 5, <http://www.dod.gov/prhome/poprep99/html/chapter5/c5-accessions.htm>; Internet; accessed February 7, 2007. The actual figure was 61.5% of total reserve component accessions for fiscal year 1999 were prior service personnel.

⁵⁰ Defense Manpower Data Center, May 2003 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2003-010, November 2003), Question 207, p. 482 and Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006), Question 3, p. 18. The question asked if a member had served on active duty, not as a reserve component member, for 24 months or more. In both years, 48% responded affirmatively, with a plus or minus 1% margin of error for 2005 and plus or minus 2% margin of error for 2003.

⁵¹ Office of the Under Secretary of Defense, Personnel and Readiness, *Population Representation in the Military Services*, Chapter 6, Table 6.6, www.dod.mil/prhome/poprep2004/reserve_officers/commission.html; Internet; accessed February 8, 2007. 42.6 percent of 2004 officer accessions to the Guard were from National Guard officer candidate schools.

⁵² Department of Defense, Office of the Under Secretary of Defense, Personnel and Readiness, *Population Representation in the Military Services*, Chapter 6, Table 6.6, footnote 1, http://www.dod.mil/prhome/poprep2004/reserve_officers/commission.html; Internet; accessed February 8, 2007.

⁵³ For example, some officers who received a ROTC scholarship were required to serve four years on active duty, followed by four years in the reserve components. United States Army Cadet Command Headquarters, *Army ROTC Scholarships*, http://www.rotc.monroe.army.mil/scholarship_HP2/fouryear/obligations.htm; Internet; accessed February 8, 2007.

⁵⁴ Regarding culture, three out of every four RC members state that they are satisfied or very satisfied with the military way of life. Defense Manpower Data Center, May 2003 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2003-010, November 2003), Question 7, p. 34 and Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006), Question 3, p. 18. (55% satisfied, 19% very satisfied, with a margin of error of plus or minus 2%). Regarding a continuing desire to serve, this is a generalization based on the 2005 Status of Forces Survey of RC members, within question 78. For example, 55% say they would not leave because of a sense of obligation to the RC (question 78f), and 36% say if they left they would feel like they let their country down (question 78i).

⁵⁵ Department of the Army, 2006 Army Posture Statement, Addendum E: Army Force Generation Model-ARFORGEN, www.army.mil/APS/06/maindocument/print/text_addendum_E.html; Internet; accessed February 8, 2007.

⁵⁶ One might argue that contracts could be written to ensure there is no deployment within the first 4 or 5 years, which could allow completion of college or establishing oneself in a career, but why is that more motivating to the potential soldier? Also, if we take that approach, we would have to extend the enlistment through at least one deployment in the RC, or that soldier has been a false strength number throughout his or her service.

⁵⁷ Statement of Command Sergeant Major Lawrence W. Holland, Senior Enlisted Advisor to the Assistant Secretary of Defense for Reserve Affairs, before the Commission on National Guard and Reserves (June 15, 2006), 9.

⁵⁸ The area of highest concern is the Army's delayed entry program accessions. The normal Army goal is to enter each FY with 35% of its recruiting goals already met by the delayed entry contracts entered into the previous year. Early estimates were that for FY 2006, the Army would enter with only 4% of its yearly goal met. U.S. Government Accountability Office, GAO Report #GAO-06-134, *Military Personnel: DOD Needs Action Plan to Address Enlisted Personnel Recruitment and Retention Challenges* (Washington, D.C.: November 2005), 14.

⁵⁹ In 2005, DOD spent \$149.3 million on enlistment bonuses, and \$346.1 million in reenlistment bonuses. Estimates for 2006 are \$175 million on enlistment bonuses, and \$387.7 million in reenlistment bonuses. These figures do not include the advertising budgets for recruiting and reenlistment, which were \$570.7 million in 2005 and an estimated \$543.9 million in 2006. U.S. Government Accountability Office, GAO Report #GAO-06-134, *Military Personnel: DOD Needs Action Plan to Address Enlisted Personnel Recruitment and Retention Challenges* (Washington, D.C.: November 2005), 27-29.

⁶⁰ Thirty percent of all RC members were students in 2005. Of these students, 63% were full-time students. Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006), Questions 36 and 37 pp. 72, 76.

⁶¹ Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006), Question 36, p. 72.

⁶² Current Army Reserve incentives include up to \$22,000 in loan repayments, more than \$23,000 in G.I. Bill benefits, and other scholarship programs. See *The United States Army Home Page*, available from http://www.goarmy.com/benefits/education_money.jsp; Internet; accessed February 12, 2007.

⁶³ Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006), Question 36, p. 72. E-1 through E-4, 45% vs. E-5 through E-9, 23%. It is very likely that this number is heavily skewed by young E-5's and E-6's. Regarding officers, 25% of lieutenants and captains are students, as opposed to 7% of majors through colonels. Ibid.

⁶⁴ If we accept the argument above in which the conversion to an operational reserve force motivates a significant number of soldiers to stay on active duty throughout their enlistment or their desire to serve, there must be a corresponding *increase* in non-prior service enlistments if the RC is to meet its operational manning strength.

⁶⁵ Regarding anxiety suffered by college seniors, some colleges encourage counseling and even list “Senior panic about jobs (lack of them)” as one of the stress points. See Hampden Sydney College home page, http://www2.hsc.edu/counseling/selfhelp/stress_periods.html; Internet; accessed February 12, 2007.

⁶⁶ Although unemployment rates for college graduates are very low, this does not relieve the anxiety of graduating without a job. College graduation rates were at 2.1 percent in late 2005, per Michael Mandel, “Bad News for Workers with College Degree: Part II,” *Businessweek.com*, http://www.businessweek.com/the_thread/economicsunbound/archives/2005/09/no_recovery_yet.html; Internet; accessed February 12, 2007.

⁶⁷ As an example, a soldier must attend basic training (between high school and 1st year of college) and advanced individual training (after first year of college), then be placed in a unit that has reached the beginning of its year two in the cycle. This would have the soldier training with the unit during years two (second year of college), year three (third year of college), and year four (final year of college). At the end of the unit’s “year four,” the student graduates and deploys with the unit, which has entered its fifth “available” year.

⁶⁸ Department of Defense, Office of the Under Secretary of Defense, Personnel and Readiness, *Population Representation in the Military Services*, Chapter 5, Table 5.2, http://www.dod.mil/prhome/poprep2004/reserve_officers/commission.html; Internet; accessed February 8, 2007. As of 2004, 65.7% of Guard enlistees are between 17 and 19 years of age, and 64.4% of Army Reserve soldiers are between 17 and 19. *Ibid*.

⁶⁹ Statement of Command Sergeant Major Lawrence W. Holland, Senior Enlisted Advisor to the Assistant Secretary of Defense for Reserve Affairs, before the Commission on National Guard and Reserves (June 15, 2006), 9.

⁷⁰ CBS News Online, *Amid Scandal, Recruitment Halts: Army Pauses Recruiting To Refocus After Reports of Excesses* (May 20, 2005), http://www.cbsnews.com/stories/2005/05/20/national/main696991.shtml?source=search_story; Internet; accessed February 12, 2007.

⁷¹ Doug Sample, *General Cites Influencers as Part of Recruiting Challenge*, American Forces Press Service, quoting Maj. Gen. Michael D. Rochelle, commander of Army Recruiting Command, June 17, 2005, available from http://www.defenselink.mil/news/Jun2005/20050617_1759.html; Internet; accessed February 12, 2007.

⁷² This is a speculative conclusion, based primarily on extrapolating likely voter effects in the 2008 election based on polling which suggests a majority of Americans (63%) would like to see a timetable for withdrawal from Iraq, combined with polling that 2/3 of Americans disapprove of how Congress is handling the war. See USA Today/Gallup Poll. Feb. 9-11, 2007, available from <http://www.pollingreport.com/iraq.htm>; Internet; accessed February 12, 2007.

⁷³ 56% of all RC members are married. Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006), Question 5, p. 22.

⁷⁴ *Ibid.*, Question 7, p. 26.

⁷⁵ Based on the year 2000 Army exit surveys, half of all married officers stated that their spouse either “encouraged” or “strongly encouraged” them to leave active duty. See Defense Manpower Data Center, *Gender Differences in Officers’ Reasons for Leaving Active Duty*, Note No. 2004-04 (January 2004), 5. Although these figures are drawn from Active Component personnel, it is meant to be illustrative only of the influence spouses have on service decisions, not of any connection to a numerical drop that might be expected.

⁷⁶ Defense Manpower Data Center, May 2003 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2003-010, November 2003), Question 10, p. 40.

⁷⁷ Ibid.

⁷⁸ Defense Manpower Data Center, May 2003 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2003-010, November 2003) and Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006). The author created this table using data from question 40 of the 2003 survey and question 10 of the 2005 survey.

⁷⁹ As noted earlier, the National Guard is planning on a six-year rotation cycle. See Christine Wormuth et al., *The Future of the National Guard and Reserves: The Beyond Goldwater-Nichols Phase III Report* (Center for Strategic and International Studies, July 2006), 24. “Army Guard units will train on a cycle that envisions deploying units once every six years.” Ibid.

⁸⁰ The figures were consistent in both the 2003 and 2005 Status of Forces Surveys. The 2003 survey determined 52% of RC members had children, with a plus or minus 2% margin of error. The 2005 survey showed 53%, with a plus or minus 1% margin of error. In the 2003 survey, 39% were under twelve years old, with a plus or minus 2% margin of error, and in the 2005 survey, 40% were under twelve, with a plus or minus 1% margin of error. Defense Manpower Data Center, May 2003 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2003-010, November 2003) and Defense Manpower Data Center, June 2005 Status of Forces Survey of Reserve Component Members: Tabulations of Responses (DMDC Report No. 2005-022, January 2006).

⁸¹ The 2003 Status of Forces Survey-Reserve Component asked members how their children viewed their military service. 68% responded that their children viewed their service either favorably or very favorably. Interestingly, this question was omitted from the 2005 survey.

⁸² One may be tempted to argue that all deployments in ARFORGEN may not be for a full year. I submit that if this is true, the planners then lose one of their main arguments in support of ARFORGEN, which is predictability. If service members are to plan on a one year deployment in year five, they will prepare their families and their employers for this event. Employers will in many cases hire replacement workers – and will contract with those workers for at least a year. Self-employed people will close down businesses. Families may move closer to in-laws or contract for in-home child care for that year. It would cause many second and third order effects and unintended consequences if some time prior to the end of the fourth year in ARFORGEN the planners decided to mobilize the soldier for only three or six months. I

submit that if we are going to pitch the plan based on “predictability,” part of that predictability must be the length of mobilization.

⁸³ Angela J. Huebner and Jay A. Mancini, *Adjustments Among Adolescents in Military Families When A Parent Is Deployed*, Final Report to the Military Family Research Institute and Department of Defense Quality of Life Office (Purdue University June 30, 2005), 10; (citing several studies done in the 1970’s, 1980’s and 1990’s).

⁸⁴ Rozlyn C. Engel, et al., *Military Deployments and Children’s Academic Achievement: Evidence from Department of Defense Education Activity Schools*, U.S. Military Academy, Working Draft as of 20 December 2006, p.1, available from www.aeaweb.org/annual_mtg_papers/2007/0105_1430_1602.pdf; Internet; accessed February 5, 2007.

⁸⁵ For example, the National Military Family Association offers information, discussion forums, spouse and child scholarship opportunities, as well as lobbying efforts on behalf of dependent issues. National Military Family Association Home Page, available from <http://www.nmfa.org/site/PageServer?pagename=homepage>; Internet; accessed February 14, 2007.

⁸⁶ Huebner, Angela J., Ph.D., and Mancini, Jay A., Ph.D., *Adjustments Among Adolescents in Military Families When A Parent Is Deployed*, Final Report to the Military Family Research Institute and Department of Defense Quality of Life Office, Purdue University, June 30, 2005, page 44, surveys of children with deployed parents showed mixed response as to whether or not additional support programs would help them cope with the deployment.

⁸⁷ Angela J. Huebner and Jay A. Mancini, *Adjustments Among Adolescents in Military Families When A Parent Is Deployed*, Final Report to the Military Family Research Institute and Department of Defense Quality of Life Office (Purdue University June 30, 2005), 44.

